Web Trade Services

Quick Guide: Import Letters of Credit

Content

Quick Guide

Import Letters of Credit

Overview

This document explains the essential steps that will guide you through the Import Letter of Credit processing and provides helpful tips.

The Import Letter of Credit module enables efficient processing of transactions and ensures the quality of the submitted data through comprehensive plausibility checks. It also always provides a detailed and current overview of all transactions in this business area. The following functions are available:

- Creation of Import Letter of Credit opening and requesting amendments
- Execution of document entry
- Querying transactions via the „Transaction History" menu
- Generating Reports
- Creating of transaction-related free-text messages
- Creation, modification, and display of templates

For each individual action, the application communicates interactively with the processing system of your Commerzbank branch via various electronic messages.
A list can be found in the Quick Guide „**Overview**" „Annex I - Schedule of electronic messages".

Entry of an Import Letter of Credit

Ordering an Import Letter of Credit requires the capture of complex data. **Web Trade Services** provides numerous tools such as template and copy functions, text blocks and extensive plausibility checks. Once the data has been collected, it is transmitted to Commerzbank's processing branch by means of highly structured electronic messages.

Fig. 01, Registering Import Letter of Credit

Many fields can only be populated with predefined values. To do this, simply open the dropdown menu (▼) for the respective field and select one of the available options. Similarly, when dealing with dates, click on the arrow (▶) next to the date field and choose any desired date. Alternatively, you can directly enter a value like "+180" into the date field. **Web Trade Services** will automatically calculate the date 180 days from the current day.

Tip:
You can use the "Internal remarks" field to add information related to the current transaction. These notes will be displayed each time the transaction is accessed and can serve as useful hints for colleagues during further processing.
Important: Information from this field is <u>not</u> transmitted to Commerzbank!

The buttons „ ☰ " represent database access. Clicking on this symbol will open an address database or display pre-defined text blocks based on the field.

For capturing Import Letter of Credit Order, there are three options:
- A) Manual entry of Import Letter of Credit Order
- B) Use of a template (see the „Template" section)
- C) Use of an existing transaction

The most efficient method is to use an existing transaction or a template.

A) Manual entry of an Import Letter of Credit Order:

Under the section labeled ‚Import Letters of Credit' click on ‚**Entry**'.
Then, enter the necessary data under the tabs for "Basic Data," "Parties," etc.
Important: In the ‚Reference' field, assign a unique reference that has not been used before for each new transaction.

Abb. 02, Entry of Letter of Credit

To complete your recording, press the ‚**save**' button. The application now carries out plausibility checks and indicates possible errors in the recording if necessary:

Fig. 03, Error message

The field to be corrected will be highlighted in color and accompanied by an error message. You can close this message by clicking on the red cross icon (❌). As soon as there are no more errors and saving can be performed successfully, **Web Trade Services** asks whether the save should be done with or without printing the copy of the file, i.e. a copy of the outgoing electronic message to Commerzbank.

If you don't need a copy of the file, click on „**Save without printing of file copy**" in the subsequent window. To print the file, please follow these steps: First, click on „**Save with printing of the file copy**" in the subsequent window. The application will then provide the file copy in the form of a PDF document.
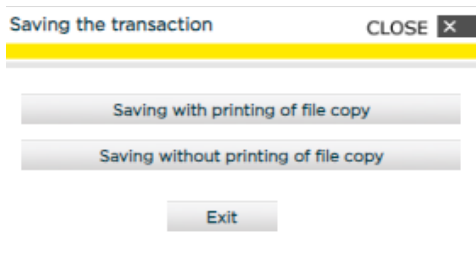
Fig. 04, Saving the transaction

If you want to print the document, please click on the icon „⟐". The PDF document will now be detached from the application and will appear in a separate window as a regular PDF document. You can then print it or save it locally if needed. Afterward, you can close the window. Your session in Web Trade Services will remain active. You will now see the file copy within the application on your screen.

Once saved, the transaction must be definitively approved and transmitted to the bank under **"Overview / Release."**

B) An Import Letter of Credit opening via template

Prerequisite: You have created one or more template under the ,Templates' section.
(see the chapter ,Template' for this):

Under Import Letters of Credit select ,**Entry**' and then click the ,**template**' button.

Fig. 05, Selecting Import Letter of Credit template

Afterward, a list of all the templates you have saved will be displayed:

Fig. 06, Selection of sample Import Letters of Credit

Click on the desired template to copy all fields of the pattern into the recording mask (excluding reference, date, and amount fields):

Fig. 07, Opening import Letter of Credit

Now you need to fill in the remaining fields (and of course, any other pre-filled fields can be modified as desired). Important: In the ‚**Reference'** field, a unique reference must be assigned for each new transaction that has not been used before.

To complete your recording, press the ‚**save**' button. The application now carries out plausibility checks and indicates possible errors in the recording if necessary:

Fig. 08, Error message

The field to be corrected will be highlighted in color and accompanied by an error message. You can close this message by clicking on the red cross icon (✖). As soon as there are no more errors and the save can be performed successfully, **Web Trade Services** asks whether the save should be done with or without printing the copy of the file. The copy of the file is a copy of the outgoing electronic message to Commerzbank.

If you don't need a copy of the file, click on „**Save without printing of file copy**" in the subsequent window. To print the file, please follow these steps: First, click on „**Save with printing of the file copy**" in the subsequent window. The application will then provide the file copy in the form of a PDF document.

Fig. 09, Saving the transaction

If you want to print the document, please click on the icon „ 🖵 ". The PDF document will now be detached from the application and will appear in a separate window as a regular PDF document. You can then print it or save it locally if needed. Afterward, you can close the window. Your session in **Web Trade Services** will remain active. You will now see the file copy within the application on your screen.

Once saved, the transaction must be definitively approved and transmitted to the bank under "**Overview / Release**."

C) An Import Letter of Credit opening via an existing transaction

Under Import Letters of Credit select ‚**Entry**’ and then click the ‘**Database Access**’ button :
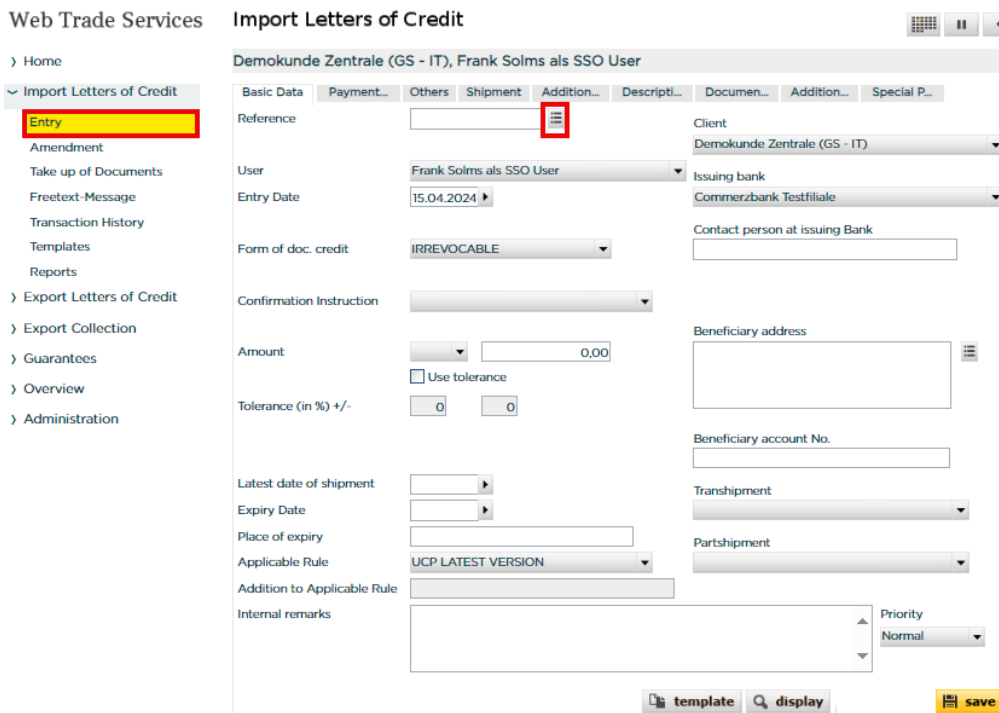

Fig. 10, Import Letter of Credit Entry

In the window that opens; after clicking the ‚**Select**’ button, you will see a list of all existing Import Letters of Credit. Alternatively, you can also search for a specific transaction by entering it in the ‚**Customer Reference**’ field:
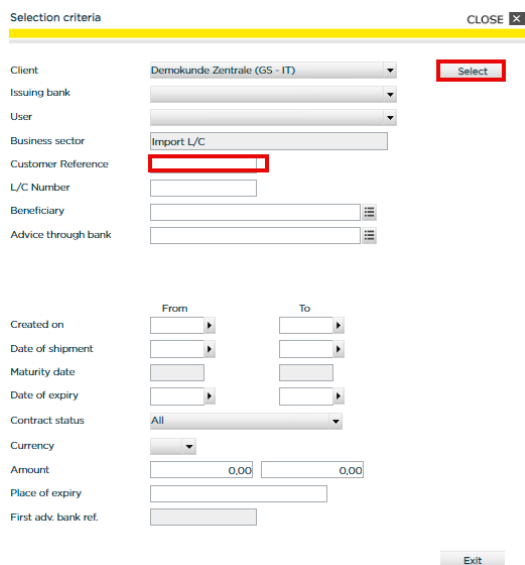

Fig. 11, Operation search

In the list that opens, select the desired operation by clicking on it:

Fig. 12, Operation selection

The application now copies all fields of the selected activity to the capture screen (excluding reference, date, and amount fields):

Fig.13, Import Letter of Credit Entry

Now you need to fill in the remaining fields (and of course, any other pre-filled fields can be modified as desired). Important: In the ‚**Reference'** field, a unique reference must be assigned for each new transaction that has not been used before.

To complete your recording, press the ‚**save**' button. The application now carries out plausibility checks and indicates possible errors in the recording if necessary:

Fig. 14, Error message

The field to be corrected will be highlighted in color and accompanied by an error message. You can close this message by clicking on the red cross icon (✕). As soon as there are no more errors and the save can be performed successfully, **Web Trade Services** asks whether the save should be done with or without printing the copy of the file. The copy of the file is a copy of the outgoing electronic message to Commerzbank.

If you don't need a copy of the file, click on „**Save without printing of file copy**" in the subsequent window. To print the file, please follow these steps: First, click on „**Save with printing of the file copy**" in the subsequent window. The application will then provide the file copy in the form of a PDF document.


Fig. 15, Saving the transaction

If you want to print the document, please click on the icon „ ". The PDF document will now be detached from the application and will appear in a separate window as a regular PDF document. You can then print it or save it locally if needed. Afterward, you can close the window. Your session in **Web Trade Services** will remain active. You will now see the file copy within the application on your screen.

Once saved, the transaction must be definitively approved and transmitted to the bank under "**Overview / Release**."

Making Amendments

Making amendments to the Import Letters of Credit is done via the menu item "Amendments" in the Import Letters of Credit section. The database field „ ☰ " next to the "Reference" field is used to select the Import Letter of Credit that needs modification:

Fig. 16, Amend Import Letter of Credit

In the window that opens; after clicking the ‚**Select**' button, you will see a list of all existing Import Letters of Credit. Alternatively, you can also search for a specific transaction by entering it in the ‚**Customer Reference**' field:

Fig. 17, Operation search

In the list that opens, select the desired operation by clicking on it:

Fig. 18, Operation selection

The application switches to the selected process and now you can make the desired amendments in the individual tabs.

Fig. 19, Making amendments

To complete your recording, press the ‚**save**' button. The application now carries out plausibility checks and indicates possible errors in the recording if necessary:

Once saved, the transaction must be definitively approved and transmitted to the bank under "**Overview / Release**."

Important: Amendments in the large text fields „Description of goods", „Documents", „Additional Conditions", and „Special Payment Conditions for the Beneficiary" are made using codes:

- **ADD**   for adding a specification
- **DELETE**   for deleting a specification
- **REPALL**   „Replace all" for the complete exchange of specification

How to correctly use the codes in WTS is shown by the following examples:

A) Adding items with the keyword ‚ADD'

Example: An item should be added to the Description of goods:

Procedure: Enter one or more lines in the **‚Current Amendment'** field and then click the **button** ➕ add :

Fig. 20, Enter additional Description of goods

The line will now be added to the **‚Description of goods'** field:

Fig. 21, Display modified Description of goods

If it is necessary to undo added or deleted entries, this can be done via the button with the same name.

B) Deleting items with the keyword ‚DELETE'

Example: An item should be added to the Description of goods:
Procedure: Copy the line or several connected lines to be deleted and paste them into the ‚**Current Amendment**' field and then click the button ❌ delete .

Fig. 22, Choosing items to be deleted from Description of goods

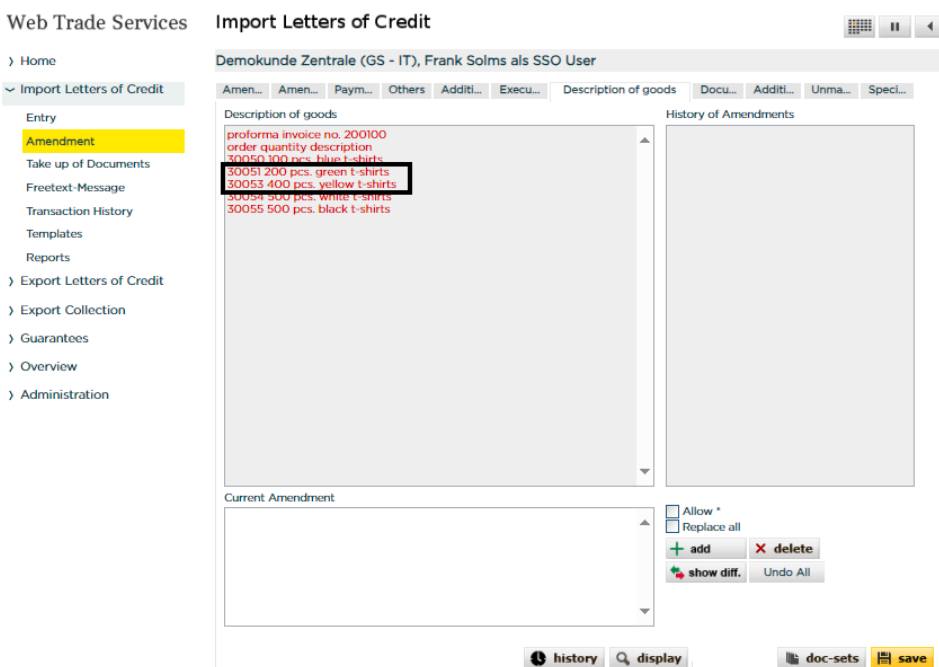The line to be deleted will now be removed from the **‚Description of goods'** field:

Fig. 23, Display modified Description of goods

Display amendments by text comparison

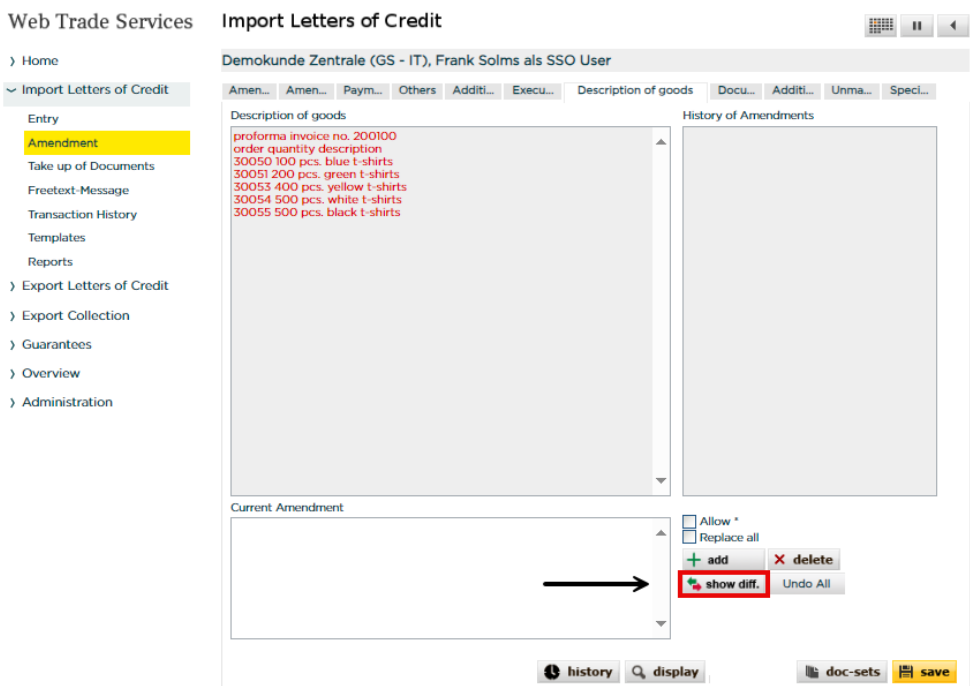The changes made can be clearly displayed by clicking the **button** ↪ show diff. :

Fig. 24, Request to view the differences

where the deleted positions are highlighted in **RED** and the added positions in **YELLOW**:
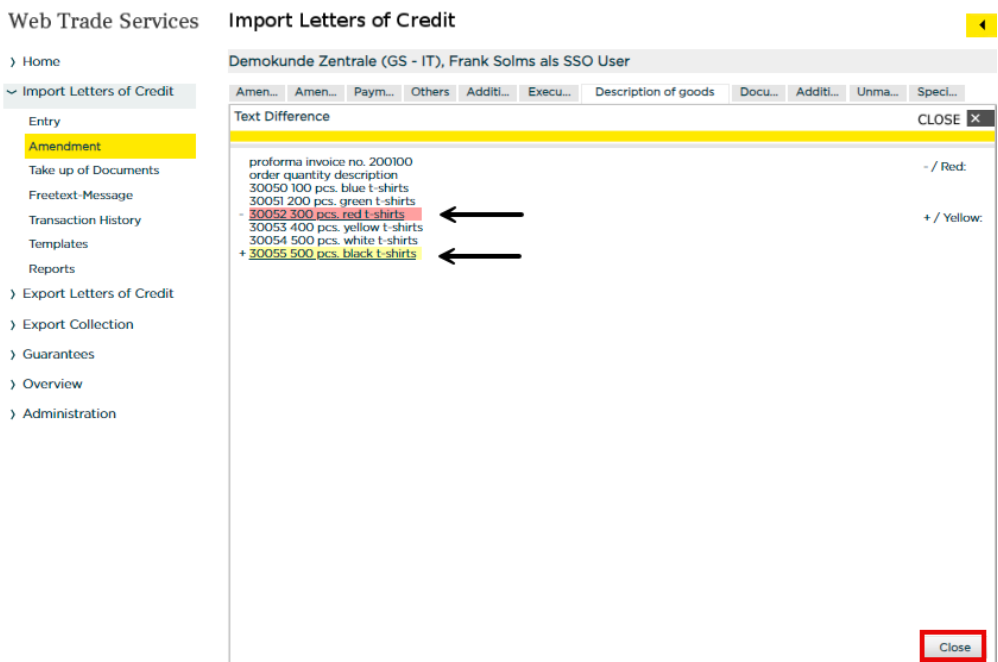
Fig. 25, Display changed positions

After pressing the ‚**Close**' button, you will return to the input screen.

C) Replace the text completely using the keyword ,REPALL'

Example: Entries for a document in the ,**Documents required'** text field are to be adjusted.

Procedure: After clicking the flag [✓] Replace all   entries can be made in the corresponding text field. The text can be completely replaced or amended in parts. In the outgoing message, the entire content of the field is output as a change. In the example, an adjustment is made in the position „Air Waybill" (ADDRESSED TO BENEFICIARY is added):

Fig. 26, Making Amendments by selecting ,Replace all'

Once you click the button [🔄 show diff.], you can also display the changes you have made in a clear way, whereby the deleted positions are highlighted in **RED** and the added positions in **YELLOW**:
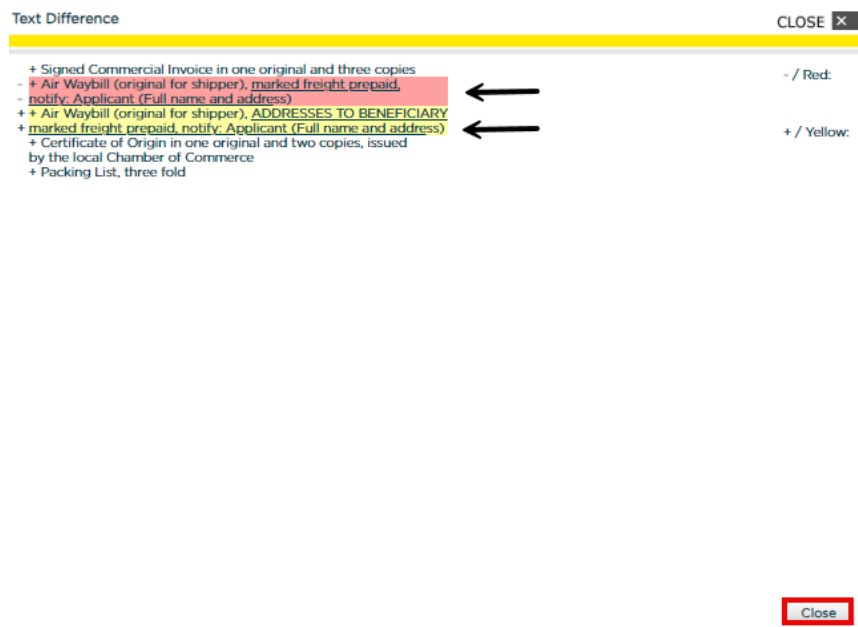

Fig. 27, Display changed positions

After pressing the ,**Close**' button, you will return to the input screen.

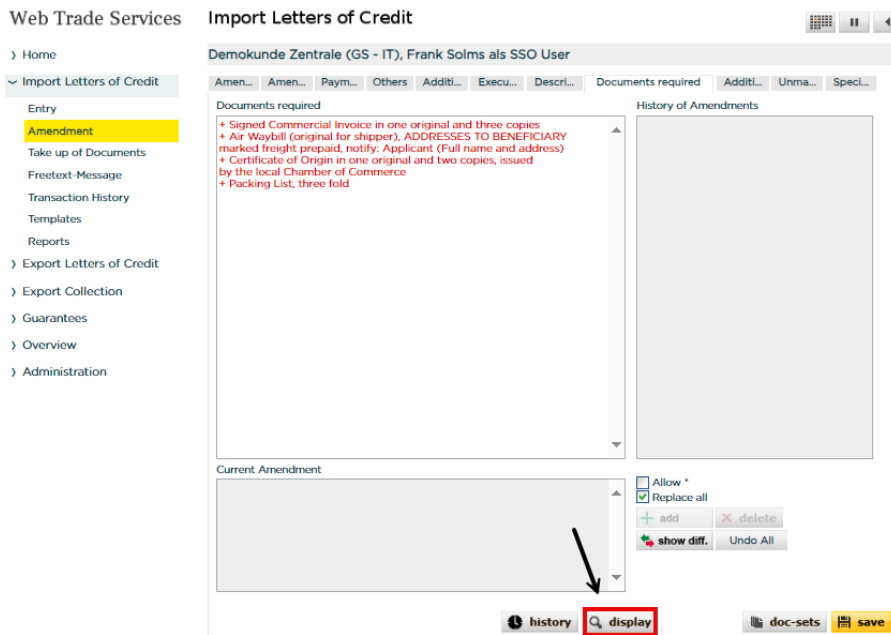Using the ‚**display**' button, you can preview the electronic change message:

Fig. 28, Display the amendment message

In the subsequent window, click the ‚Display' button again:
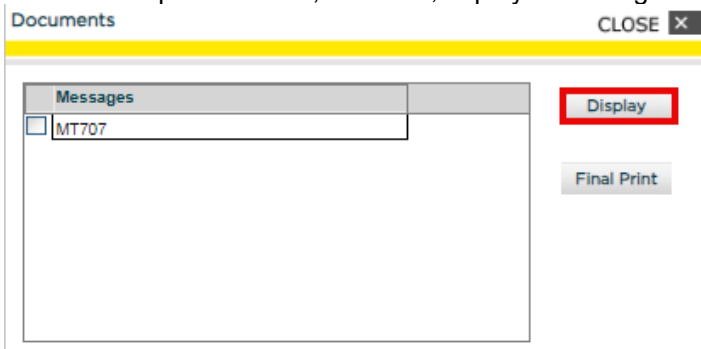

Fig. 29, Display electronic amendment message

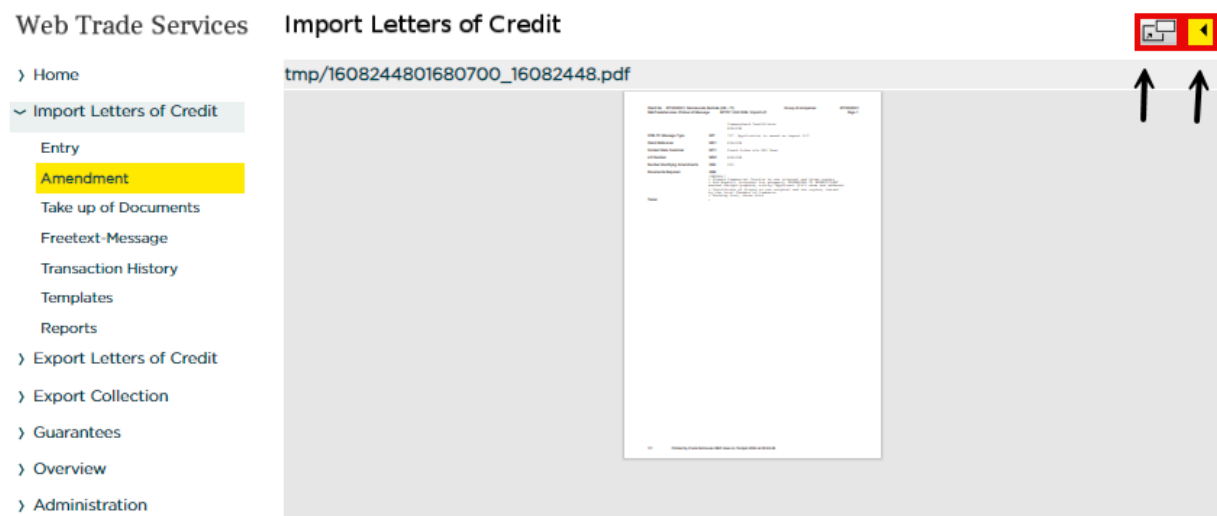After clicking the button , the electronic change message will be displayed in a separate window:

Fig. 30, Open electronic change message in a separate window

The message shows the changes made in the large text fields with the indication of the corresponding key-words **ADD**, **DELETE**, and **REPALL**:

```
Client No.   ZIT0000001, Demokunde Zentrale (GS - IT)              Group of companies        ZIT0000001
WebTradeServices  Printout of Message      MT707 / KIA123B / Import L/C                             Page 1


                                        Commerzbank Testfiliale
                                        BIA123B

COR-TF Message Type          :MT:      707  Application to amend an import L/C

Client Reference             :M01:     KIA123B

Contact Data Customer        :M11:     Frank Solms als SSO User

L/C Number                   :M02:     BIA123B

Number Identifying Amendments :26E:    002

Description of Goods and/or Services  :45B:
                                       /ADD/
                                       30055 500 pcs. black t-shirts
                                       /DELETE/
                                       30052 300 pcs. red t-shirts

Documents Required           :46B:
                                       /REPALL/
                                       + Signed Commercial Invoice in one original and three copies
                                       + Air Waybill (original for shipper), ADDRESSES TO BENEFICIARY
                                       marked freight prepaid, notify: Applicant (Full name and address)
                                       + Certificate of Origin in one original and two copies, issued
                                       by the local Chamber of Commerce
                                       + Packing List, three fold
Trailer
```

Fig. 31, Display electronic amendment message

After closing the separate window, pressing the Back-Button ◀ will return you to the input screen.

Take up of Documents

The document capture under an import letter of credit is carried out via the menu item „**Take up of Documents**" under the module Import Letters of Credit.
Prerequisite: You have received an electronic message from Commerzbank under the Import Letter of Credit about the ‚Notification of Discrepancies (MT771)' in your WTS mailbox and have imported the message.

The Database access field „ ☰ " next to the „**Reference**" field is used to access the corresponding Import Letter of Credit:
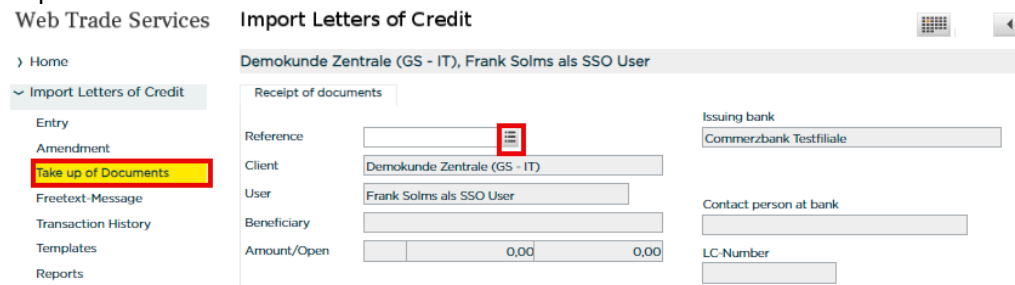
Fig. 32, Accessing the transaction

You can give us your instructions on the following screen as follows:
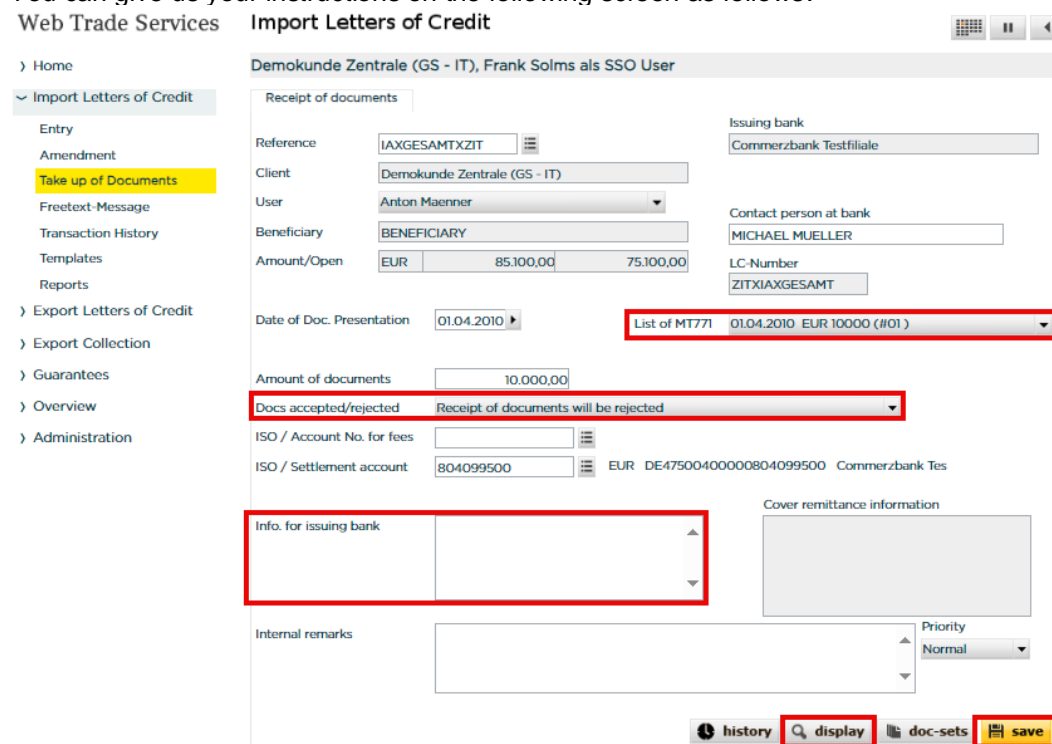
Fig. 33, Document Acceptance / - Rejection

First, the relevant discrepancy message must be selected from the ‚**List of MT771**' and then under '**Docs Accepted/rejected**' the choice must be made whether the document presentation is rejected or accepted. When selecting ‚**Receipt of documents will be rejected**', the ‚**Info. for issuing bank**' field is a mandatory entry and can be used to justify the rejection.

The corresponding electronic outgoing message can be displayed in advance via the menu item ‚**display**' if required.

To complete your entry, click the „**save**" button. The application will now perform plausibility checks and indicate any potential errors in the entry.

Once saved, the transaction must be definitively approved and transmitted to the bank under "**Overview / Release**."

Freetext-Message

You can create a free-text message related to an Import Letters of Credit using the "Freetext-Message" menu option within the import Letter of Credit module. The database field „ ☰ " next to the „**Reference**" field is used to access the corresponding Import Letter of Credit:
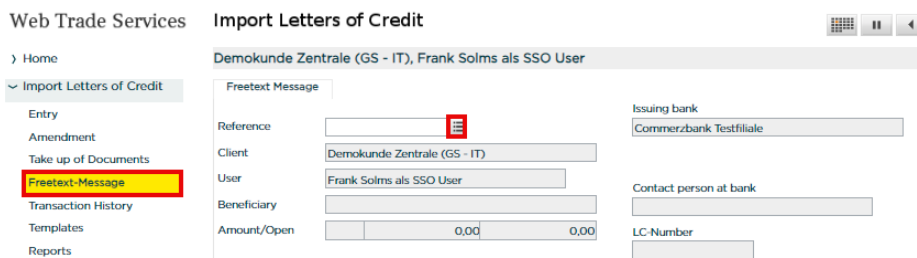
Fig. 34, Accessing the transaction

Create your free text message on the following screen as follows:
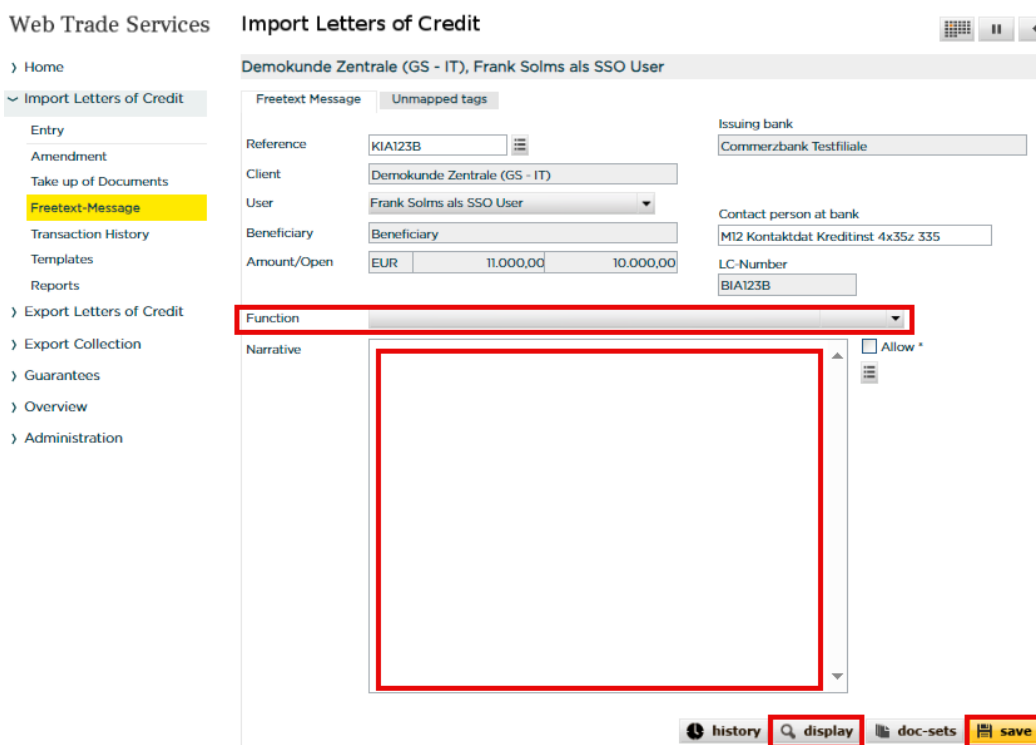
Fig. 35, Creation of free text message

Your message can now be entered in the ‚**Narrative**' field. The selection in the '**Function**' field can be optionally assigned.

Via the menu item ‚**display**' you can preview the corresponding electronic outgoing message if needed.

To complete your entry, click the "**save**" button. The application will now perform plausibility checks and indicate any potential errors in the entry:
Once saved, the transaction must be definitively approved and transmitted to the bank under "**Overview / Release**."

Transaction History

The history provides a current and complete overview of the existing transactions. In the Import Letters of Credit section, the following actions can be performed:

- Display of a contract sheet that reflects the actual status of the transaction
- Closing or deleting a transaction (see also "Appendix III, Explanation of Status Features")
- Display of received messages via the „Transaction History" button
- Display of the document receipt confirmation, due date notifications, and settlements via the „Doc Set' function
- Creating templates
- View the historical versions of the transaction

To access the transaction history, start from the ‚**Transaction History'** menu and select the relevant Import Letter of Credit using the button ≣ next to ‚**Customer Reference**' field.
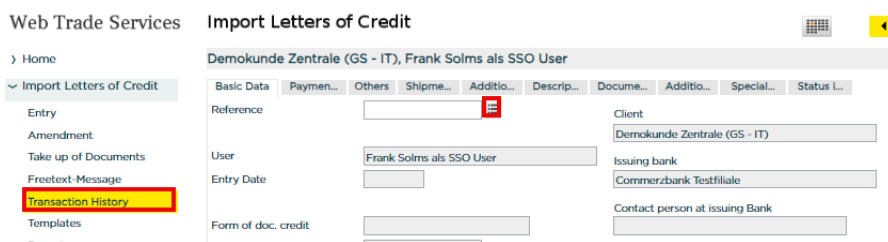
Fig. 36, Accessing the transactions

In the window that opens, after clicking on the ‚**Select**' button, a list of all letters of credit in stock will be displayed. Alternatively, you can also search for a specific transaction in the ‚**Customer Reference**' field:
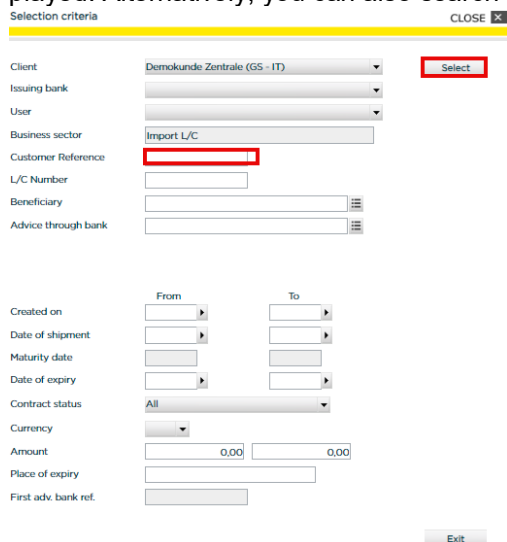
Fig. 37, Operation search

In the list that opens, select the desired operation by clicking on it:

Client	Own Reference	Bank Reference	Bank	Beneficiary	Shipment	Expiry	Amount
Demokunde Z	FS 10012023		Commerzbank	Beguenstigter	28.02.2023	21.03.2023	3.000,00
Demokunde Z	FS Abn.Test	FGS Abn.Test Ban	Commerzbank	Beguenstigter	10.01.2024	31.01.2024	11.000,00
Demokunde Z	FS Loeschung		Commerzbank	Beguenstigter	30.09.2021	21.10.2021	1.000,00
Demokunde Z	FS PV R1-23		Commerzbank	BENEFICIARY	30.04.2023	21.05.2023	22.222,00
Demokunde Z	FS PV R2-22		Commerzbank	BENEFICIARY	31.07.2022	21.08.2022	123.456,00
Demokunde Z	FS PV07122022		Commerzbank	BENEFICIARY	31.12.2022	21.01.2023	3.000,00
Demokunde Z	FS PV20112023		Commerzbank	Beneficiary	10.12.2023	31.12.2023	1.000,00

Fig. 38, Transaction selection

After that, the selected transaction will be displayed on the screen:

Fig. 39, Selected Transaction Information

By clicking the ‚**close**' button, the transaction can be manually set to the „**Closed**" status. Transactions in this status will then only be considered in the ‚All Transactions' report.

After clicking on the ‚**Transaction History**' button, an overview of all existing transactions under the respective letter of credit will be displayed:

Fig. 40, Transaction Summary Display

Using the selection buttons ⏎ provides detailed information about each transaction (e.g., the input data for the Import Letter of Credit Order or the incoming message confirming the creation of a Import Letter of Credit).

Tip:

If you want to trace which employees recorded and approved the transactions in the history, you can load an overview of all transactions related to a business using the ‚**history**' button. Select the transaction and click ‚**Information**'. The next window will display relevant log information.
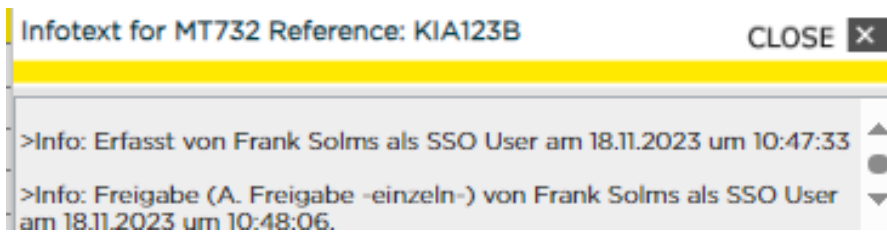
Fig. 41, Import Letters of Credit-History, Log-Information

Template creation

New templates can be created manually via the ‚**Templates**' menu item and by clicking on the ‚**creation**' button.

Fig. 42, Creating templates

Enter a name for the pattern in the ‚**Reference**' field, then fill in the required fields in the various tabs and close the attachment by clicking on the ‚**save**' button:

Fig. 43, Capture of a template

In addition to manually capturing templates, new templates can also be created from existing transactions. To do this, proceed as follows:

Call up the desired transaction via the ‚**Transaction History**':

Fig. 44, Accessing the transactions

The selected transaction is displayed. After clicking the ‚**template**' button, the form with the content of the chosen transaction is loaded (variable data is not included).

Fig. 45, Selecting ‚template' function

When you switch to the 'Templates' function, the application allows you to add or modify information. In the 'Reference' field, enter a name for the template and complete the process by clicking the 'save' button: The application then returns to the history of the previously selected transaction, which you can exit using the 'back' button ◀.

Fig. 46, Creating templates

After saving, the template is available for creating new transactions in the '**Entry**' menu.

Modifying and deleting templates:

To change or delete templates, call up the corresponding template using the selection button ☰ .
A change or deletion of a template is then possible via the **‚amend'** or **‚delete'** buttons:

Fig. 47, Amending/ Deleting the templates

Receiving and accepting messages

When the processing branch of Commerzbank has received and processed your Import Letter of Credit request, you will receive an electronic execution notification in your mailbox for this and all subsequent steps (see also Quick Guide 'Overview' Annex I - Schedule of electronic messages).

Fig. 48, Postbox

If you want to view a message, select the desired message in the inbox and then click on the ‚display' button, in the following window please click on ‚Display' again:

Fig. 49, Display the message

After clicking the button ⌗, the message will be displayed in a separate window:

Fig. 50, Opening the amendment message in separate window

After closing the separate window, pressing the Back-Button ◀ will return you to the selection screen.

If necessary, first enter your own reference via the „reference" button or amend or correct it if it could not be assigned in follow-up messages. The message is then adopted by clicking the „Import" button. The message is now assigned to the process, and any relevant changes or new events are noted in the history. The imported messages can be recalled at any time via the application's message archive (under the menu item „**Overview**") if necessary.

To assign your own reference, proceed as follows:
1. Mark the message
2. Click the ‚**reference**' button

Fig. 51, Selecting the message in Postbox

3. In the subsequent window, enter your transaction reference in the ‚**Own reference**' field and complete the entry by clicking the ‚**save**':

Fig. 52, Capture own reference

Tip:
Monitor new message arrivals by registering for email notifications from Web Trade Services. If desired, you'll receive an email immediately upon receiving a new incoming message.

Imprint

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